U.S. Department
of Transportation
Pipeline and Hazardous Materials Safety Administration

Administrator

1200 New Jersey Ave., S.E.
Washington, DC 20590

JAN 29 2010

The Honorable Deborah A.P. Hersman
Chairman
National Transportation Safety Board
490 L'Enfant Plaza East, SW
Washington, DC 20594

Dear Chairman Hersman:

I am sending you this letter in response to the National Transportation Safety Board (NTSB) Safety Recommendations issued after the November 7, 2007 hazardous liquid pipeline rupture near Carmichael, Mississippi. The NTSB issued three safety recommendations to the Pipeline and Hazardous Materials Safety Administration (PHMSA).

NTSB recommended PHMSA conduct a comprehensive study to identify actions that can be implemented by pipeline operators, to eliminate catastrophic longitudinal seam failures in electric resistance welded pipe (ERW) (NTSB Safety Recommendation P-09-1). At a minimum, the study should include assessments of the effectiveness and effects of in-line inspection tools, hydrostatic pressure tests, and spike pressure tests; pipe material strength characteristics and failure mechanisms; the effects of aging on ERW pipelines; operational factors; and data collection and predictive analysis. The NTSB also recommended PHMSA implement actions as needed based on the results of the comprehensive study requested in Safety Recommendation P-09-1 (NTSB Safety Recommendation P-09-2).

We have been and continue to investigate the technical issues regarding ERW line pipe with a focus on low frequency Electric Resistance Welded (ERW) and Electric Flash Welded (EFW) pipe. An internal and external document search was completed to identify all known prior studies involving ERW and EFW failures. This effort helped to strengthen our understanding of the issues with natural gas pipelines and to identify possible gaps in knowledge on how this issue is affecting hazardous liquid systems.

In June of 2009, PHMSA hosted a Pipeline Research and Development Forum. The forum provided an opportunity for Federal, State and industry stakeholders to meet and reach a consensus on future pipeline research needs that enhance safety. A comprehensive ERW study was debated in one of the sessions along with the associated technical challenges. The session produced a gap analysis and comprehensive research recommendation on "Low Frequency ERW Pipeline Failures" with input from several stakeholders including the NTSB.

PHMSA recently published a solicitation for a comprehensive research project on "Low Frequency ERW Pipeline Failures" (Solicitation Number: DTPH56-10-BAA-000001) in

FedBizOps on November 3, 2009. The research solicitation includes but is not limited to the assessment of current methods to test and detect flaws and a study of failure mechanisms in ERW pipelines, and will address NTSB Safety Recommendation P-09-1. An award from this solicitation is anticipated during Spring 2010. The duration of this effort is unknown at this time and additional details will be provided to the NTSB as they become available.

NTSB also recommended PHMSA initiate a program to evaluate pipeline operators' public education programs, including pipeline operators' self-evaluations of the effectiveness of their public education programs, and to provide the NTSB with a timeline for implementation and completion of this evaluation (NTSB Safety Recommendation P-09-3).

PHMSA established and required adherence to a 12-step guide for the development and management of pipeline operator public awareness programs in 2005 when the agency incorporated by reference, the American Petroleum Institute (API) Recommended Practice (RP) 1162, "Public Awareness Programs for Pipeline Operators" (49 CFR 192.616 and 49 CFR 195.440). This Recommended Practice was developed with participation from all relevant stakeholders, including State and Federal safety regulators, and is based on the knowledge and experience of subject matter experts. PHMSA will analyze, through both inspection and enforcement, the extent to which the adoption of this Recommended Practice adequately addresses public awareness needs and where improvements are required. As appropriate, PHMSA can make changes to the regulatory requirements based on this analysis and urge the pipeline industry to modify the Recommended Practice as appropriate. The regulations currently require that operators evaluate their programs for effectiveness at four-year intervals, with the first evaluation due in June 2010. PHMSA will have a better understanding of the strengths and weaknesses of the existing public awareness requirements after reviewing operator effectiveness evaluations.

In June 2005, PHMSA issued Advisory Bulletin ADB-06-02 requesting pipeline operators submit their written public awareness programs to the PHMSA Public Awareness Program Clearinghouse for review. The Clearinghouse review team compared these programs with API RP 1162 using criteria developed by pipeline safety staff from PHMSA and State pipeline safety agencies. The review team also compared each written public awareness program with the baseline elements in API RP 1162. The outcome of this first review was that most industry operators had not defined metrics for measuring program effectiveness at that time. Since the adoption of the Recommended Practice, Federal and State inspection staff have been reviewing public awareness elements during standard inspections of pipeline operators. These inspections generally include a review of written programs and/or a review of records verifying program implementation. In the second half of 2010, State and Federal inspection programs will be expanded to include a review of operator effectiveness evaluations. We will also prepare an advisory bulletin, detailed guidance for pipeline safety inspectors, and prioritize inspections based on pipeline mileage by operator and the type of commodity transported.

PHMSA is planning a June 2010 Public Awareness Workshop. The workshop will be the first opportunity after the initial four-year implementation cycle to review implementation progress, identify what is working and not working, and jointly identify critical elements of a successful

operator public awareness program. PHMSA will use the results from this event and further develop our program for evaluating pipeline operator public awareness programs.

At the workshop, PHMSA will remind operators that public awareness regulations require operators to show continuous improvement and that performance metrics are critical in assessing the effectiveness of their programs. We will reinforce the need of accurate mapping and development of mailing lists for distribution of public awareness materials, especially for rural locations and to verify the identification of residents living at elevations lower than and within one mile of the pipeline. PHMSA agrees with NTSB that 911 operators represent an important stakeholder audience and will ensure public awareness programs include provisions for addressing this group.

PHMSA is working aggressively to close all open recommendations issued by the NTSB. If you, or your staff, have any questions, please feel free to contact me at 202-366-4433.

Regards,

Cynthia L. Quarterman